

OFFICE OF LEGISLATIVE RESEARCH  
PUBLIC ACT SUMMARY



**PA 18-1—HB 5592**

*Emergency Certification*

**AN ACT WAIVING ANY PENALTIES IMPOSED ON A BOARD OF EDUCATION FOR MAKING REDUCTIONS TO ITS BUDGETED APPROPRIATION FOR EDUCATION AS A RESULT OF CUTS TO ITS EDUCATION COST-SHARING GRANT FOR FISCAL YEAR 2018**

**SUMMARY:** For FY 18, this act sets conditions under which the State Board of Education (SBE) must waive the statutory penalty imposed on municipalities that violate the law prohibiting a town from reducing its budgeted amount for education. The requirement that municipalities budget at least the same amount for education, with some exceptions, that they did in the previous year is referred to as the minimum budget requirement (MBR).

The act applies to any town that budgeted less for education after its FY 18 education equalization aid (i.e., education cost sharing (ECS)) was reduced due to reductions in allotments or withholdings in state assistance authorized by the FY 18-19 budget act (PA 17-2, June Special Session (JSS)).

The act prohibits the FY 18 ECS reductions and withholdings from affecting a town's FY 19 MBR determination.

EFFECTIVE DATE: Upon passage

**§ 1 — MBR PENALTY WAIVER**

The law prohibits a town from budgeting less for education than it did in the previous FY unless it can demonstrate specific changes within its school district (such as reduced student enrollment).

For FY 18, the act waives the potential forfeiture of some ECS funds for violating the MBR if a town meets the following requirements:

1. the town's FY 18 ECS grant was reduced due to (a) reductions in allotments (i.e., to achieve unallocated budgeted lapses and targeted savings in the General Fund) authorized in PA 17-2, JSS, §§ 13 and 14, or (b) withholdings or reductions in state assistance to help pay for rental rebate assistance (CGS § 12-170f(d), as amended by PA 17-4, JSS, § 25) and
2. the town subsequently reduced its FY 18 budgeted appropriation for education in an amount up to the reduction in its ECS grant.

The act prohibits SBE from (1) determining that such a town failed to meet the MBR and (2) requiring the town to forfeit its ECS grant in an amount equal to two times the reduction, which otherwise is the statutory penalty.

**§§ 2 & 3 — FY 19 MBR DETERMINATION**

## OLR PUBLIC ACT SUMMARY

By law, the previous year's ECS aid amount and whether that amount has increased or decreased are considered when determining a town's MBR. Under the act, a town cannot use the reduced aid amount for FY 18 (i.e., the amount after the reductions in allotments and withholdings or reduction in state assistance) when determining its MBR for FY 19.

The act also requires that the FY 18 reductions in ECS allotments and withholdings not be counted when determining a town's FY 19 ECS aid increase or decrease.